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August 11, 2009

Jennifer J Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Ave
Washington, DC 20551

RE: Docket No. R-1364

Comments on the Credit CARD Act Interim Final Rules issued 7/15/2009.

Thank you for the opportunity to comment on the rules covering statement content and timing for open-end loans effective August 20, 2009. As a member owned, cooperative financial institution, Advantis' mission is to provide our member-owners with products and services that provide superior value.

Our loan products include a variety of multi-featured, open-ended loans. The act and the interim final rule require we send or deliver statements 21 days before the due date on all open ended loans. We anticipate no difficulty complying with the 21 day requirement for credit card accounts. However, the requirement as applied to all other open end loans will be extremely burdensome, requiring changes to our statements, loan and collection processes, as well as changes to individual loans on our processing system. Most importantly, the changes will have a negative impact on our members with non-credit card, open end loans.

Our multi-featured, open-end loan products include not just credit cards, but Home Equity Lines of Credit, personal loans, auto loans and other similar consumer products. We have over 5,000 non-credit card open end loans outstanding. While separate statements are provided for credit cards, members receive a consolidated statement providing information on their deposit accounts and all other loans they may have with the credit union, including both open-end and closed end loans. Our member-owners benefit from the consolidated statement as it controls costs and provides a single convenient source for monitoring their financial dealings with the credit union.

After reviewing the act and the interim final rule, as well as compliance briefs from our data processor, our options for complying with the new requirement are limited to providing either individual statements on loans throughout the month or establishing a single due date near the end of our current statement cycle for all open ended loans. Either option will require substantial changes to our statements, existing collection and loan processes, credit reporting, and changes to individual loans. A quick implementation of these changes negatively impacts many members' automatic payment arrangements and members will no longer be able to select loan due dates that fit their monthly cash

flow. These changes will result in substantial inconvenience and possibly financial hardship to our members, the consumers the law and regulations were intended to benefit.

The Board's suggestion that on a temporary basis we provide a notice in our statement that payments will not be considered late for any reason for 21 days will likely only confuse our members and result in numerous calls to the credit union for clarification. As the act and rule require us not to treat the payment as late for any purpose, we will still need to make sufficient changes to ensure notices, collection reports, credit reporting and other actions are not taken before the 21 day deadline.

It is simply not possible to implement these changes by August 20, 2009 for our non-credit card, open end loans. We need more time to evaluate options available from our data processor and to work with our members to lessen the impact as much as possible. We urge the Board to use its authority under the Truth in Lending Act to extend the compliance date to allow more time to implement these changes as they apply to non-credit card, open-end loans. Extending the deadline for only this narrow class of loans will allow the changes to go forward on credit card loans, while furthering the purpose of the act and regulations by giving financial institutions that offer non-credit card, open end loans additional time to implement the changes in a thoughtful and reasoned manner designed to reduce the negative impact on the consumer.

Thank you for your consideration in this matter.

Sincerely,


Mary Ellen Lanzisera
Compliance Officer
Advantis Credit Union